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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE – Chairman
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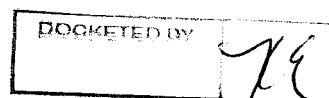
IN THE MATTER OF THE APPLICATION OF
EPCOR WATER ARIZONA, INC., AN ARIZONA
CORPORATION, FOR A DETERMINATION OF
THE CURRENT FAIR VALUE OF ITS UTILITY
PLANT AND PROPERTY AND FOR
INCREASES/DECREASES IN ITS RATES AND
CHARGES BASED THEREON FOR UTILITY
SERVICE BY ITS AGUA FRIA, ANTHEM,
MOHAVE, SUN CITY, AND SUN CITY WEST
WASTEWATER DISTRICTS AND FOR
CONSIDERATION OF CONSOLIDATION AND
DE-CONSOLIDATION PROPOSALS.

DOCKET NO. WS-01303A-16-0145

Arizona Corporation Commission

DOCKETED

JUN 16 2016



PROCEDURAL ORDER

BY THE COMMISSION:

On April 29, 2016, EPCOR Water Arizona, Inc. (“EPCOR”) filed with the Arizona Corporation Commission (“Commission”) an application for a determination of the fair value of its utility plant and property and for increases/decreases in its rates and charges for wastewater utility service in its Agua Fria, Anthem, Mohave, Sun City, and Sun City West Wastewater Districts and for consideration of consolidation and deconsolidation proposals.

On May 4, 2016, Greg Eisert, Director of and Chairman of Government Affairs for Sun City Home Owners Association (“Sun City HOA”) filed “Opening Comments for the Docket.”

On May 11, 2016, Sun City HOA filed a Motion to Intervene. The Motion to Intervene stated that the Sun City HOA and Sun City Wastewater District ratepayers will be directly and substantially affected by this matter. The Motion to Intervene identified Greg Eisert and Steven Puck, Esq. as the contacts for Sun City HOA, and showed that Sun City HOA’s Board of Directors authorized the intervention, but did not indicate whether Mr. Puck is the attorney representing Sun City HOA.

On May 16, 2016, Frederick Botha, an EPCOR customer, filed a Motion to Intervene. Mr. Botha stated that service should be made upon him by email, but did not file a Consent to Email Service form or follow the Hearing Division’s procedure to consent to email service.

1 On May 23, 2016, Verrado Community Association, Inc. ("Verrado"), filed a Motion to
2 Intervene. Verrado stated that it is a customer in EPCOR's Agua Fria Wastewater District.

3 On May 23, 2016, DMB Verrado Golf I LLC ("Verrado Golf") and Verrado ARC LLC
4 ("Verrado ARC") filed a joint Motion to Intervene, stating that each is a current and future effluent
5 customer in EPCOR's Agua Fria Wastewater District.

6 On May 23, 2016, Verrado, Verrado Golf, and Verrado ARC filed their Consent to Email
7 Service. Additionally, counsel for Verrado, Verrado Golf, and Verrado ARC has sent a verification
8 email to the Hearing Division.

9 Also on May 23, 2016, Western Infrastructure Sustainability Effort ("WISE") filed a Motion to
10 Intervene, stating that this matter will have broad implications on the utility industry and will address
11 issues that are critical for determining a utility's ability to attract capital and install and maintain
12 infrastructure.

13 On May 24, 2016, Douglas Edwards and Diane Smith, residents in the Corte Bella Country
14 Club Association ("CBCCA") area, each filed a Motion to Intervene, each identifying as an EPCOR
15 customer in the Agua Fria Wastewater District.

16 Also on May 24, 2016, Regina Shanney-Saborsky, another resident in the CBCCA area, filed
17 a Motion to Intervene on behalf of CBCCA. Ms. Shanney-Saborsky stated that she is a member of the
18 CBCCA Government Affairs Committee and has been appointed by CBCCA's Board of Directors to
19 serve as its representative in this matter. Ms. Shanney-Saborsky included documentation of the
20 CBCCA Board's authorization of the intervention.

21 On May 27, 2016, Sun City HOA filed a Consent to Email Service for Mr. Eisert and Mr. Puck.

22 Also on May 27, 2016, the Commission's Utilities Division ("Staff") issued a Letter of
23 Sufficiency pursuant to Arizona Administrative Code ("A.A.C.") R14-2-103, classifying EPCOR as a
24 Class A utility.

25 On May 31, 2016, the Residential Utility Consumer Office ("RUCO") filed an Application to
26 Intervene.

27 On June 1, 2016, the Property Owners and Residents Association ("PORA") of Sun City West
28 ("SCW") filed an Application to Intervene. The SCW PORA stated that the residents of SCW are

1 EPCOR customers and maintain a high level of concern regarding the ramifications of the consolidation
2 proposals and any rate increase. The Application to Intervene identified Al Gervenack, Director, as
3 SCW PORA's representative and included a Board Resolution to that effect. Rob Robbins, President
4 of SCW PORA, was identified as an alternate representative, should Mr. Gervenack become unable to
5 serve. SCW PORA indicated a willingness to receive service by email, but did not file a Consent to
6 Email Service form.

7 On June 3, 2016, a Procedural Order was issued scheduling the hearing in this matter to
8 commence on January 23, 2017, and establishing other procedural requirements and deadlines. The
9 Procedural Order also granted intervention to Sun City HOA, Frederick Botha, Verrado, Verrado Golf,
10 Verrado ARC, WISE, Douglas Edwards, Diane Smith, and CBCCA and approved email service for
11 Verrado, Verrado Golf, and Verrado ARC.

12 On June 6, 2016, Sun City HOA sent a verification email to the Hearing Division.

13 On June 7, 2016, EPCOR filed a letter indicating that the notice required by the Procedural
14 Order will be mailed in a separate direct mailing rather than as a bill insert because it is not possible to
15 include the notice in a bill insert prior to July 1, 2016.¹

16 On June 9, 2016, EPCOR filed a letter indicating that the notice in the Procedural Order
17 included a typographical error, which will be corrected in the public notice.²

18 On June 13, 2016, the Sun City HOA made a filing to clarify that Mr. Puck is a "follow-up
19 intervener" to Mr. Eisert, not counsel for the Sun City HOA.

20 Also on June 13, 2016, a Procedural Order was issued granting intervention to RUCO and SCW
21 PORA, and approving email service consent to Sun City HOA.

22 On June 15, 2016, SCW PORA filed a Consent to Email Service. Additionally, Mr. Gervenack
23 sent a verification email to the Hearing Division.

24 SCW PORA's Consent to Email Service should be approved.

25 IT IS THEREFORE ORDERED that the request by the Sun City West Property Owners and
26 Residents Association to receive service of all filings in this docket, including all filings by interested

27 ¹ EPCOR's proposed form of mailing notice is appropriate.

28 ² The error was included in the Direct Testimony of Sheryl Hubbard at page 5. Correcting it in the public notice is appropriate.

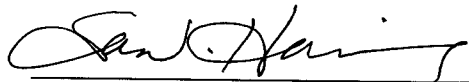
persons and Staff and all Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the Commission's Hearing Division, via its designated email address rather than via U.S. Mail, is hereby approved.

IT IS FURTHER ORDERED that a party's election to receive service of all filings in this matter via email does not change the requirement that all filings with the Commission's Docket Control must be made in hard copy and must include an original and 13 copies.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 16th day of June, 2016.



SARAH N. HARPRING
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed
this 16th day of June, 2016, to:

Thomas Campbell
Michael T. Hallam
Lewis Roca Rothgerber Christie, LLP
201 E. Washington St.
Phoenix, Arizona 85004
Attorneys for EPCOR Water Arizona, Inc.

Michele Van Quathem, PLLC
7600 N. 15th St., Suite 150-30
Phoenix, Arizona 85020
mvq@mvqlaw.com
Attorney for Verrado Community Association,
Inc.; DMB Verrado Golf I LLC; and Verrado
ARC LLC

Consented to Service by Email

Greg Patterson
Munger Chadwick
916 West Adams, Suite 3
Phoenix, Arizona 85007
Attorney for Western Infrastructure
Sustainability Effort

Regina Shanney-Saborsky
Government Affairs Committee Member
Corte Bella Country Club Homeowner's
Association
22155 North Mission Drive
Sun City West, Arizona 85375

1 Douglas Edwards
2 13517 W. Sola Drive
3 Sun City West, Arizona 85375

4 Diane Smith
5 13234 W. Cabrillo Drive
6 Sun City West, Arizona 85375

7 Greg Eisert, Director
8 Steven Puck, Director
9 Sun City Home Owners Association
10 10401 W. Coggins Drive
11 Sun City, Arizona 85351
12 gregeisert@gmail.com
13 **Consented to Service by Email**

14 Frederick G. Botha
15 23024 N. Giovata Dr.
16 Sun City West, Arizona 85375

17 Daniel W. Pozefsky
18 Chief Counsel
19 Residential Utility Consumer Office
20 1110 West Washington St., Suite 220
21 Phoenix, Arizona 85007

22 By: 

23 Amy Wilson
24 Assistant to Sarah N. Harpring
25
26
27
28

Al Gervenack, Director
Rob Robbins, Director
Government Affairs Chairman
Sun City West Property Owners & Residents
Association
13815 Camino Del Sol
Sun City West, Arizona 85372
al.gervenack@porascw.org
rob.robbins@porascw.org
Consented to Service by Email

Janice Alward, Chief Counsel
Legal Division
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, Arizona 85007

Thomas Broderick, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, Arizona 85007